(a) whether it is a fact that after having announced the pension plan for senior citizens on the 17th June, 2003 in all prominent national dailies, Government hastily retreated and withdrew it the very next day;

(b) if so, the reasons therefor;

(c) whether the scheme has been abandoned finally; and

(d) if not, by when the same is likely to be announced and formally put in place?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) to (d) No, Sir. The Varishtha Pension Bima Yojana, a pension plan for senior citizens, has been launched all over India on 14th July, 2003.

Subsidy on Kerosene and LPG

†203. SHRI ABU ASIM AZMI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there is a difference of opinion between the Ministry of Petroleum and Natural Gas and the Ministry of Finance on the issue of the period of granting subsidy on kerosene and LPG;

(b) if so, the details thereof; and

(c) to what extent it has been resolved or by when it is likely to be resolved?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) The scheme for subsidy on Domestic LPG and PDS Kerosene has already been notified on 28th January, 2003 by the Ministry of Petroleum and Natural Gas.

Ministry of Petroleum and Natural Gas has been advised to phase out the scheme over a period of three years from 2002-03.

Medium term fiscal revamp policy for States

†204. SHRI ABU ASIM AZMI: Will the Minister of FINANCE be pleased to state:

---

†Original notice of the question was received in Hindi.

(a) whether any measures have been taken to improve the financial position of State Governments under medium term fiscal revamp policy (MTFRP); and

(b) if so, the details and outcome thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) In order to supplement the efforts of the State Governments towards fiscal consolidation, Government of India has created "States' Fiscal Reforms Facility (2000-01 to 2004-05)" in accordance with the recommendation of the Eleventh Finance Commission. The Scheme incentivises the States to undertake fiscal reforms programme in the medium term, *inter-alia*, aiming at reducing their revenue deficit and gross fiscal deficit over the reform period by way of improving tax and non-tax receipts and reprioritization of expenditure. As per the latest data available from the States, progress of major outcome indicators of 29 States (including Government of National Capital Territory of Delhi) during the last three years is given in the enclosed Statement (*See* below).

Besides, Government of India has also put forward a scheme for debt swap to enable the States to retire their high cost borrowings. In the year 2002-03, the amount of debt that has been swaped in around Rs. 13, 766 crore.

Statement

Medium term fiscal revamp policy for States

(percentage)

Outcome Indicator	Year			
	1999-00 (Act)	2000-01 (Act)	2001-02 (Act/RE)	2002-03 (RE/BE)
Revenue deficit as percentage of revenue receipt	(-2) 26.02	(-) 22.40	(-)22.10	(-) 17.17
Gross Fiscal deficit as percentage of GDP	(-) 4.72	(-) 4.24	(-)4.20	(-)3.83